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I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

Change Sheet
to
Annual Report to the National Security Council
on the
Status of the Foreign Intelligence Program

The following textual changes and corrections, made pursuant to agreement at a representatives meeting, should be entered in the 7 August draft of the Annual Report to the NSC on the Status of the Foreign Intelligence Program.

Text

- Page 2 - in last two lines on page, substitute parentheses for commas after "Center" and "Committee."
- Page 3 - in last line on page substitute "communications" for "communication."
- Page 12 - in fifth line from bottom of page, after "Communist" insert "political and."
- Page 14 - in seventh line, after "on" insert "production of."
- Page 15 - in tenth line, after "future" insert "Free World."
- Page 29 - in first line of para. 7, delete "through the IAC" and substitute "furthered by the"; in fifth line of para. 7, after "the" insert "more."
- Page 37 - in first two lines, delete "IAC's" and underscore "ad hoc"; change paragraph number from "17" to "16."

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Improvements in economic intelligence on the Sino-Soviet Bloc have resulted not only from more intensive research and analysis but also from a significant increase in published data on nondefense industries, particularly for the USSR. Large-scale research has enabled us to improve cost calculations for Bloc military programs, to estimate the cost burden of the programs on their economies, and to provide a basis for comparison with similar programs of the US. Detailed data on production of military end-items remain generally inadequate and the prospect is that detailed estimation in this field will become increasingly difficult. In most other areas of economic research, including the economic aspects of the Soviet guided missiles and atomic energy programs, the outlook is for continued improvement. Special emphasis has been placed upon the economic growth problems of underdeveloped countries bordering on the Bloc. There is also under way a continuing systematic study of Bloc economic activities in underdeveloped areas.

There has been continued improvement in scientific intelligence on the Sino-Soviet Bloc both through research and through

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intelligence collection on intentions, policies or actions of the Sino-Soviet Bloc related to the initiation of hostilities, especially nuclear air attack or the clandestine delivery of weapons against the US or key US overseas installations. Our over-all collection capabilities, overt and clandestine, have shown improvement in the past year both within and outside the Sino-Soviet Bloc, and information and material received from the field have increased in both quantity and quality due primarily to the currently increased access to target areas, personalities and materials. Soviet publications with the exception of those in the military field, are becoming increasingly available and include items, hitherto prohibited for export, containing new scientific and economic data. Further development and use of technological methods, such as ELINT, has also brought about improved collection results.

Nonetheless, serious deficiencies remain in our collection capabilities in all fields, particularly in relation to the Sino-Soviet bloc. With respect to political and economic deficiencies, improvement and expansion of existing facilities and methods are required. With respect to deficiencies in critical military and

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scientific fields, expanded clandestine programs must be continued and technological collection capabilities further developed. Such expanded programs must be in operation for a long period before a significant reduction of our critical intelligence deficiencies can be expected.

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